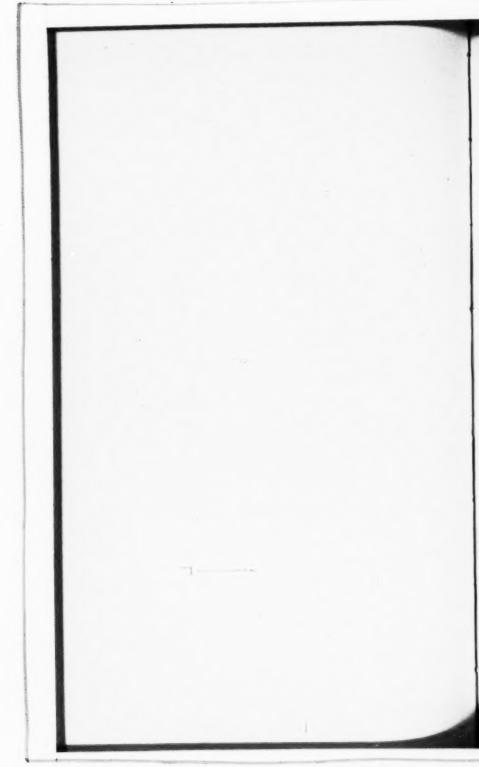
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Supreme Court of the United States

October Term, 1947.

No. 797.

REYNOLDS METALS COMPANY,

Petitioner.

v.

C. D. SKINNER AND LEO C. BRADLEY,

Respondents.

RESPONSE TO PETITIONER'S REPLY BRIEF.

I.

Respondents contend that the court below decided the case upon the patent claims; and, on the issues involving patents procured by petitioner on respondents' applications, that it recognized the claims of the patent applications.

The Circuit Court of Appeals did not apply the doctrine stated in Petitioner's Reply (p. 2) when the Petitioner had discontinued the use of patent claims. The court, referring to patent No. 2,176,365, said (R. 648) that, "Moreover, substantial testimony reveals that the tapered dieholder of Skinner and Bradley

was used on all vertical presses except the 1100-ton press after the critical date [and that the testimony showed], * * * that the work generally at Reynolds is with the tapered die; that it has been so at all times, and still is to-day."

It was proven that the "two story feature" was covered by the claims of the patent application (Deft. Exhibits, Vol. 1, pp. 376, 386, 423, Claims 1-3 and 4).

This patent was procured by the Petitioner on the Respondents' application (R. 140) under contract provision (R. 81) that petitioner should have the right to take it over and prosecute it, in its discretion, as it deemed advisable, which right it exercised (R. 140).

II.

Patent assignees under royalty contracts are no more affected by the ruling of the Circuit Court of Appeals than their assignment contracts stipulate.

Petitioner's query under this heading as to whether or not an assignor and assignee cannot contract that royalty be paid upon a claimed invention, as described in a patent, or the application for a pending patent, is answered definitely and conclusively by this court in *Eclipse Bicycle Co.* v. *Farrow*, 199 U. S. 581, in the affirmative.

III.

The Petitioner admits that the Respondents attempted to secure (filed an application) a patent for a tapered die with a corresponding tapered enclosure or keeper ring (Reply Brief, p. 3). This application was taken over by the Petitioner (R. 140). It is covered by claim 8 of the granted patent (Deft. Exh., Vol. 1, pp. 448, 504).

The conclusion of the Circuit Court of Appeals was (R. 646), "The case is before us on the applications, drawings and specification which reveal the inventive conceptions not limited by the rules applicable in infringement cases. Stubnitz-Greene Spring Corp. v. Fort Pitt Bedding Co., supra" (110 Fed. 2d 192, C.C.A. 6).

The reasoning in the cited case is that (p. 195) the assignee of a patent being in privity with assignor, is estopped to deny patentability and the rule applies to assignments of applications as well as patents.

The court did not hold the Petitioner liable for royalties for the use of the expired Clark patent. It found the Petitioner used the invention covered by the Respondents' patent claims (R. 91; Finding of Fact, 23).

IV.

The Circuit Court of Appeals did fully consider the matters complained of in the Petitioner's Reply Brief IV and found that the mixing chamber (R. 648)

"was a new feature in the building of extrusion dies and of great importance because, among other things, it made possible the building up of pressure in the annular ring to equal the pressure of [on] the mandrel die, thus enabling it to resist the enormous pressure of the plunger and to prevent collapse."

V.

The rule quoted from McClain v. Ortmayer, 141 U. S. 419, was stated in, and is applicable to, a patent infringement suit. The answer to the Petitioner's query under this number is that the assignee is set apart from the public in so far as he, a free agent, contracts to be set apart. Here the Petitioner contracted as a reciprocal obligation to pay royalties for the possession of all the Respondents' present and future inventions, including the rights (R. 8) (a) to enforce filing patent applications; (b) to control all proceedings on patent applications: (c) to prosecute, or refrain from prosecuting, infringements; (d) to determine what inventions be protected by patents, and (e) to determine the extent to which it pressed the development of their inventions or patents. The public had no such rights and consequently no obligation to defend the "novelty and patentability" of the Respondents' inventions, such as the contract imposed on the Petitioner under Eclipse Bicycle Co. v. Farrow, supra.

> Francis R. Harbison, Leo T. Wolford, Counsel for Respondents.

BULLITT & MIDDLETON, Of Counsel.